



## MINUTES OF MEETING HELD MARCH 10, 2015 IN KANSAS CITY

### Meeting of the Multistate Tax Commission Uniformity Committee

The Davenport Hotel  
10 South Post Street  
Spokane, Washington

July 28, 2015  
10am Pacific

#### I. Welcome and Introductions

The chair, Wood Miller, Missouri, called the meeting to order and asked members and participants to introduce themselves. The following is a list of members and participants:

Ben Abalos, MTC	Deborah Bierbaum, AT&T	Roxanne Bland, MTC
Gil Brewer, WA	Lennie Collins, NC	Holly Coon, AL
Richard Cram, KS	Christi Daniken, OR	Michael Fatale, MA
Jamie Fenwick, Time Warner	Bruce Fort, MTC	Frank Hales, UT
Jack Harper, Walmart	Lenore Heavey, LA	Helen Hecht, MTC
Gary Humphrey, OR	Rich Jackson, ID	Don Jones, ID
Tom Katsilometes, ID	Geemon Kurian, DC	Sheldon Laskin, MTC
Michele Mayberry, AL	Wood Miller, MO	Rouen Reynolds, AL
Kathleen Sher, NH	Phil Skinner, ID	Randy Tilley, ID
Warren Townsend, Walmart	Jack Trachtenberg, Reed Smith	Eric Wayne, NC
Adam Beckerink, Reed Smith	Deanna Munds-Smith, AL	Robyn Wilson, AK

*If you would like additional information about this meeting, contact Helen Hecht, General Counsel,  
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Karl Frieden, COST	Janice McGee, NM	Ken Beier, MTC
<b>Matt Peyerl, ND</b>	<b>Sam Barber, NM</b>	<b>Chris Donaldson, WI</b>
Jeff Henderson, OR	Karen Boucher, Deloitte	

## II. Initial Public Comment Period

There were no public comments.

## III. Approval of Minutes of the Prior In-Person Meeting

Upon a motion by Richard Cram, Kansas, the minutes of the meeting of December 11, 2014 were approved on a voice vote.

## IV. Other Reports and Possible Action – Sales and Use Tax Subcommittee

Mr. Cram reported on the Sales and Use Tax Subcommittee meeting held earlier that day.

## V. Other Reports and Possible Action – Income and Franchise Tax Subcommittee

Robyn Wilson, Alaska, reported on the Income and Franchise tax subcommittee meeting held March 9, 2015.

## VI. Art. IV, Section 1 Model Regulations Project

Mr. Laskin, MTC, gave a report on the workgroup's activities. The workgroup had two issues that it was seeking guidance from the Committee. The first is should churning of assets be addressed. The second is how distortion should be measured. There was discussion about whether these were issues for the workgroup working on Section 1 ("receipts") or whether they were issues that should be addressed when regulations are drafted under Art. IV, Section 18. Ultimately, it was decided that these two issues should be noted by the workgroup, but not addressed by it.

## VII. Art. IV, Section 17 Model Regulations Project

Michael Fatale, Massachusetts gave Committee members and overview of Massachusetts market sourcing regulations. The Uniformity Committee has decided to use these regulations as a baseline for its model regulations since Massachusetts has almost identical statutory language to the language adopted as part of the revisions to Art. IV. The workgroup has been going through the regulations determining whether the rules adopted are reasonable and workable and whether any changes need to be made or additional rules considered. The presentation as well as other materials are available on the MTC's website (mtc.gov).

## VIII. Model Provisions Concerning Class Actions and False Claims

The Uniformity Committee heard presentations on possible models to address a potential need for tax agencies to receive assistance or information from third parties concerning tax enforcement. A representative of the New York AG's office spoke about the state's litigation (false claims) model. A representative of the IRS Whistleblower Office spoke about that program. Professor Ventry of the University of California, Davis, also spoke generally about the need for such programs.

In addition to these presentations, Karl Frieden of COST and Jack Trachtenberg of Reed Smith reiterated comments they had made in the subcommittee and emphasized their concerns about the New York litigation model.

Questions were raised about the advantages of the litigation model over the whistleblower model. It appears that the litigation model provides additional enforcement resources in the form of qui tam litigants.

The Committee will report on this issue to the Executive Committee in May 2015.

**IX. Round Table Discussion**

The states present participated in a round table discussion giving updates on their state's tax developments.

**X. New Business**

There was no new business.

**XI. Adjournment**

A motion to adjourn was made and unanimously affirmed by voice vote.